(d) if so, the details in this regard; and

(e) the steps being taken to ensure that the banks honour the guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) With a view to enable the farmers to derive the full benefit of declining interest rate regime, all public sector banks announced reduction in lending rate for crop loan up to Rs. 50,000/- to a single digit rate of not more than 9 per cent per annum. This single digit rate is expected to benefit most of the crop loan account holders and cover almost all small and marginal farmers.

(c) and (d) Lending to agriculture sector by public sector banks constituted 15.3 per cent of their Net Bank Credit (NBC) as on the last Friday of March, 2003 against the stipulated target of 18 per cent. In all, about 22 banks failed to achieve this target.

(e) The domestic scheduled commerical banks having shortfall in lending to priority sector/agricultural lending target are required to deposit the amount indicated to them in the Rural Infrastructure Development Fund (RIDF) established with National Bank for Agriculture and Rural Development (NABARD). As a measure of disincentive for non-achievement of agricultural lending target, the rate of interest on RIDF deposits has been lowered and is charged in inverse proportion to the extent of shortfall in the agricultural lending *vis-a-vis* the target. Besides, commercial banks have been advised to step up their direct lending to agriculture so as to achieve the target of 18 per cent of Net Bank Credit; public sector banks have been advised to prepare Special Agriculture Credit Plans (SACP) for increasing credit flow to agriculture; banks have also been advised to fulfil coverage of all eligible farmers by March 31, 2004 under the Kisan Credit Card Scheme, etc.

Money laundering at Alang ship-breaking yard

708. SHRI K. B. KRISHNA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether the Directorate of Revenue intelligence is aware of large scale money laundering at Alang ship-breaking yard through under invoicing and other manipulations;

(b) if so, the extent of such operations recently unearthed by DRI officials; and

(c) what preventive steps are being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) and (b) No, Sir.

(c) The Directorate of Revenue Intelligence is maintaining strict vigil.

Cases pending in Appellate Tribunals

709. SHRI K.B. KRISHNA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that more than Rs. 90,000 crores is locked up in income tax disputes, with the existing number of Appellate Tribunals unable to handle the cases;

(b) whether Government propose to set up additional Appellate Tribunals to clear the backlog; and

(c) whether there are any proposals to revive setting up a National Court of Direct Taxes initiated during early 1990s?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) the outstanding amout of income-tax disputed before the Appellate Tribunals is Rs. 28,94,102 (in lacs) as on 01.09.2003.

(b) Yes, Sir.

(c) No, Sir. However, the National Tax Tribunal Ordinance, 2003 has been promulgated on 16.10.2003 for setting up the National Tax Tribunal.

Recommendations of IMF chief

710. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the IMF Chief Economist Kanneth Rogoff has advised emerging Asian Economist at the annual meeting of the World Bank and IMF that accumulation of reserve beyond a point is a poor policy for the economy of the country and the world;

(b) if so, whether Government have given any serious consideration to the Rogoff's advice;

(c) if so, the details thereof;

(d) if not, the reasons therefor; and

(e) the prudent norms arrived at by Government for forex reserves?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes, Sir.